



Control Number: 50224



Item Number: 13

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DOCKET NO. 50224

**APPLICATION OF CITY OF
BRUCEVILLE-EDDY AND ELM
CREEK WATER SUPPLY
CORPORATION FOR SALE,
TRANSFER, OR MERGER OF
FACILITIES AND CERTIFICATE
RIGHTS IN MCLENNAN COUNTY**

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**PUBLIC UTILITY COMMISSION
OF TEXAS**



**STAFF'S SECOND SUPPLEMENTAL RECOMMENDATION ON ADMINISTRATIVE
COMPLETENESS, PROPOSED NOTICE, AND PROCEDURAL SCHEDULE**

COMES NOW the Staff (Staff) of the Public Utility Commission of Texas (Commission), representing the public interest, and files this Staff's Second Supplemental Recommendation on Administrative Completeness, Proposed Notice, and Procedural Schedule. Staff recommends that the application, as supplemented, is administratively complete. In support thereof, Staff shows the following:

I. BACKGROUND

On November 12, 2019, the City of Bruceville-Eddy (Bruceville-Eddy) and Elm Creek Water Supply Corporation (Elm Creek WSC) (collectively, Applicants) filed an application for approval of the sale, transfer, or merger of facilities and certificate of convenience and necessity (CCN) rights in McLennan County. Bruceville-Eddy seeks to transfer a portion of its water service area under CCN No. 11285 to Elm Creek WSC, to be held under Elm Creek WSC's water CCN No. 10031. The requested sale and transfer includes approximately 20 acres and 0 connections. The Applicants filed supplemental information on December 30, 2019, January 8, 2020, January 9, 2020, January 14, 2020 and February 26, 2020.

On February 13, 2020, Order No. 3 in this proceeding was issued, requiring Staff to file a supplemental recommendation on the administrative completeness of the application and proposed notice and to propose a procedural schedule for further processing of the docket by April 10, 2020. Therefore, this pleading is timely filed.¹

¹ The Commission was closed for business on April 10, 2020, in observance of Good Friday. Therefore, pursuant to 16 TAC § 22.4, Staff's deadline is extended until the end of the next day on which the Commission is open for business, April 13, 2020.

II. ADMINISTRATIVE COMPLETENESS

Staff has reviewed the application and supplemental information and, as detailed in the attached memorandum from Roshan Pokhrel, Infrastructure Division, and Fred Bednarski, Rate Regulation Division, and recommends that the application, as supplemented, is administratively complete. Staff does not comment on the merits of the application at this time.

III. NOTICE

In accordance with Staff's recommendation that the application is administratively complete, Staff also recommends that the Applicants proceed with providing public notice. Staff recommends that the Applicants use the attached *Notice to Current Customers, Neighboring Systems, and Cities* to provide notice as detailed in the attached memorandum.

IV. PROPOSED PROCEDURAL SCHEDULE

In accordance with Staff's recommendations on administrative completeness and notice, Staff proposes that the following procedural schedule be adopted:

Event	Date
Deadline for Applicant to file with the Commission signed affidavits that the notice was given, along with a copy of the notice sent to the affected parties	May 11, 2020
Deadline for Staff to file a recommendation on sufficiency of notice	May 21, 2020
Deadline to intervene; deadline for intervenors to request a hearing on the merits	June 11, 2020

V. CONCLUSION

Staff recommends that the application be found administratively complete, that the applicants be ordered to provide notice as detailed above and in the attached memorandum, and that the above-proposed procedural schedule be adopted. Staff respectfully requests that an order be issued consistent with the foregoing recommendations.

Dated: April 13, 2020

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

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CERTIFICATE OF SERVICE

I certify that, unless otherwise ordered by the presiding officer, notice of the filing of this document was provided to all parties of record via electronic mail on April 13, 2020, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/Courtney Dean
Courtney N. Dean

PUC Interoffice Memorandum

To: Courtney Dean, Attorney
Legal Division

From: Roshan Pokhrel, Infrastructure Division
Fred Bednarski, Rate Regulation Division

Date: April 13, 2020

Subject: **Docket No. 50224**, *Application of City of Bruceville-Eddy and Elm Creek Water Supply Corporation for Sale, Transfer, or Merger of Facilities and Certificate Rights in McLennan County*

On November 12, 2019, the Elm Creek Water Supply Corporation (Elm Creek WSC) and the City of Bruceville-Eddy (the City) (collectively, Applicants) filed an application for the sale, transfer, or merger of facilities and certificate rights in McLennan County under Texas Water Code (TWC) § 13.301 and 16 Texas Administrative Code (TAC) § 24.239. The Applicants seek to transfer a portion of the water service area held under the City's certificate of convenience and necessity (CCN) number 11285 to Elm Creek's CCN number 10031. The requested area includes approximately 20 acres and 0 connections.

Staff from the Rate Regulation Division and Infrastructure Division have reviewed the application and the additional information filed by the Applicants on February 26, 2020 and recommend that the application be deemed administratively complete. Staff further recommends the Applicants be ordered to do the following:

- 1) Provide notice of the application by first-class mail to the following:
 - a. Cities, districts, and neighboring retail public utilities providing the same utility service whose corporate boundaries or certificated service area are located within two miles from the outer boundary of the requested area:
 - Bluebonnet Water Supply Corporation (CCN No. 11594)
 - City of Bruceville-Eddy (CCN No. 11285)
 - City of Moody (CCN No. 10021)
 - Spring Valley Water Supply Corporation (CCN No. 11287)
 - Brazos River Authority
 - b. The county judge of each county that is wholly or partially included in the requested area:
 - McLennan County Judge
 - c. Each groundwater conservation district that is wholly or partially included in the requested area:
 - Clearwater Underground Water Conservation District
 - Southern Trinity Groundwater Conservation District
 - d. Any affected customers, and other affected parties in the requested area.

Addresses can be obtained by the Applicants from the Water Utility Database at <http://www.puc.texas.gov/watersearch>. Information related to districts including addresses can be obtained from the Texas Commission on Environmental Quality's (TCEQ) web site located at <http://www14.tceq.texas.gov/iwud/>.

- 2) Provide notice and proof of notice using the attached notice and affidavit forms.
- 3) Provide a copy of a map delineating the requested area with each individual notice to neighboring utilities, other affected parties, and customers.

Staff may determine that additional information is needed to make a final recommendation in this docket. If additional information is needed, Staff may send requests for information (RFI) to the Applicants. The Applicant will have 20 days from the receipt of the RFI.

Notice to Current Customers, Neighboring Systems, and Cities

**ELM CREEK WATER SUPPLY CORPORATION'S NOTICE OF INTENT TO TRANSFER
WATER SERVICE AREA UNDER CCN NO. 11285 FROM CITY OF BRUCEVILLE-EDDY
IN MCLENNAN COUNTY, TEXAS**

To: _____ Date Notice Mailed: _____, 20____
(Name of Customer, Neighboring System, or City)

(Address)

(City State Zip)

<u>Elm Creek WSC</u>	<u>P.O. Box 538</u>	<u>Moody, TX</u>	<u>76557</u>
(Purchaser's Name)	(Address)	(City), (State)	(Zip Code)

has submitted an application with the Public Utility Commission of Texas (Commission) to transfer water certificated service area under CCN No. 11285 in McLennan County, TX from:

<u>City of Bruceville-Eddy</u>	<u>143-A Wilcox Drive</u>	<u>Eddy, TX</u>	<u>76524</u>
(Seller's Name)	(Address)	(City), (State)	(Zip Code)

The sale is scheduled to take place as approved by the Commission (Texas Water Code § 13.301). The transaction and the transfer of the CCN includes the following subdivision:

No Current Customers.

The requested area is located approximately 2.9 miles west of downtown Bruceville Eddy, TX, and is generally bounded on the north by Hodge Road; on the east by Tower Drive; on the south by FM 107; and on the west by Doss Lane. The total requested area for the water or sewer CCN(s) being transferred includes approximately 20 acres and 0 current customers. **See enclosed map showing the requested area.**

This transaction will not have an effect on the current customer's rates and services.

Persons who wish to intervene in the proceeding or comment upon action sought should contact the Public Utility Commission, P.O. Box 13326, Austin, Texas 78711-3326, or call the Public Utility Commission at (512) 936-7120 or (888) 782-8477. Hearing- and speech-impaired individuals with text telephones (TTY) may contact the commission at (512) 936-7136. The deadline for intervention in the proceeding is June 11, 2020. You must send a letter requesting intervention to the commission which is received by that date.

If a valid public hearing is requested, the Commission will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, SOAH will submit a recommendation to the Commission for final decision. An evidentiary hearing is a legal proceeding similar to a civil trial in state district court.

Si desea información en español, puede llamar al 1-888-782-8477.

Utility Representative

Utility Name

PUBLIC UTILITY COMMISSION OF TEXAS



AFFIDAVIT OF NOTICE TO CURRENT CUSTOMERS, NEIGHBORING UTILITIES AND AFFECTED PARTIES DOCKET NO. 50224

STATE OF TEXAS
COUNTY OF _____

_____ has provided individual notice
to the following entities and customers:

DATE OF NOTICE

OATH

I, _____, being duly sworn, file this form as
_____ (indicate relationship to applicant, that is,
owner, member of partnership, title of officer of corporation, or other authorized representative of
applicant); that in such capacity, I am qualified and authorized to file and verify such form, am
personally familiar with the notices given with this application, and have complied with all notice
requirements in the application and application acceptance letter; and that all such statements made
and matters set for therein are true and correct.

Applicant's Authorized Representative

If the applicant to this form is any person other than the sole owner, partner, officer of the applicant,
or its attorney, a properly verified Power of Attorney must be enclosed.

Subscribed and sworn to before me this _____ day of _____, 20____, to
certify which witness my hand and seal of office.

Notary Public in and for the State of Texas

Print or Type Name of Notary Public

Commission Expires _____